NATIONAL RAILROAD PASSENGER CORPORATION OFFICE OF THE INSPECTOR GENERAL

INVESTIGATIVE COSING REPORT

CASE NUMBER: 06-155

TITLE: Mismanagement	CASE NUMBER: 06-155
DATE OF REPORT: January 13, 2010	
REPORT PREPARED BY:	CLOSED
BACKGROUND	
The Office of Inspector General ("OIG") Office of Investigation that his position by engaging in a potential conflict of interest sometimes. Travel, Incorporated ("Mac America"), a travel agency Specifically, the information alleged that provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in addition to a 10% sales commission because of with Mac America's provided Madeal, in add	- Marketing, may have abused ituation involving Mac America or located in New York, NY. c America with a "sweetheart"
SUMMARY OF INVESTIGATION	
1. Agents conducted interviews with a variety of Amtra direct contact and/or knowledge of Mac America's ac Request ("FOR"). Everyone interviewed, whether periph Mac America or its FOR, was aware that and Mac America was [at one time] saccount, and/or bringing Mac America to Amtrak.	count and/or its Fare Order erally or directly involved with ■ had a prior relationship, that
2. Agents interviewed regarding the allegation. had a prior relationship, that was responsible for initial his company, Mac America, and that when he had a contract, he typically contacted for resolution.	ting Amtrak's relationship with
3. Agents interviewed regarding the allegation. had a prior relationship and that he was responsible for be as an Amtrak travel agent. He denied engaging in an America.	ringing Mac America on board
4. Effective February 2009, advised Amtrak that M the direct sale of Amtrak discounted tickets and requested FOR. further indicated that Mac America would (JTB's) efforts to promote and sell Amtrak tickets. Ini Amtrak allow JTB to fulfill Mac America's contractual obli contract period (March 2009) to no avail. Amtrak created a	that it be allowed to cancel its continue to assist JTB in its tially, requested that gations through the end of its

5. Prior to the completion of the OI's investigation, Marketing took steps to ensure that
Amtrak afforded other international travel agencies, specifically those catering to the
Japanese market, an opportunity to engage directly in business with Amtrak. Effective
January 1, 2009, Amtrak entered into a FOR with JTB, reported to be the largest travel
agency in Japan and one of the largest worldwide.

6. On October 28, 2009, the OI forwarded a Management referral detailing its findings
and recommendations to Emmett Fremaux ("Fremaux"), Vice President - Marketing.
After sending two management referral reminders, on December 16, 2009, Fremaux's
representative statement and extension in
order to allow Marketing an opportunity to conduct its own inquiry.
Associate Legal Counsel, granted Marketing an extension to January 8, 2010.

7. On January 4, 2010, Fremaux provided his management's response, agreeing to reinforce Amtrak Ethical Conduct and Conflict of Interest policy to both the Marketing and Product Management departments, with a specific reiteration to his direct reports.

RECOMMENDATIONS

The writer recommends that this case be closed with no further action warranted pending receipt of additional information.

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NATIONAL RAILROAD PASSENGER CORPORATION

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Memo

Date January 4, 2010

Departs

MAMTRAK

rom Emmett Fremaux

Department Marketing & Product Development

Subject OIG Referral

Message

First, my apologies for the delayed response to your original memo. Upon receipt of the second (copy) memo last week, I have implemented your recommendation to review and reinforce the importance of adhering to Amtrak's Ethical Conduct and Conflict of Interest Policy with the Marketing Sales & Promotional group.

I felt that this was also an opportunity to remind the entire Marketing & Product Development Department team to review the above policy. Consequently, this will be an agenda topic at my first 2010 staff meeting with my direct reports, followed by a memo for general distribution to the entire Marketing & Product Management team regarding the Ethical Conduct and Conflicts of Interest Policy.